



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

09/535,877

03/28/2000

Terence Boyle

CITI0139

5079

27510 7590 02/02/2007
KILPATRICK STOCKTON LLP
607 14TH STREET, N.W.
WASHINGTON, DC 20005

EXAMINER

CHENCINSKI, SIEGFRIED E

ART UNIT

PAPER NUMBER

3692

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
--	-----------	---------------

2 MONTHS

02/02/2007

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.



UNITED STATES PATENT AND TRADEMARK OFFICE

Commissioner for Patents
United States Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450
www.uspto.gov

MAILED

FEB 02 2007

GROUP 3600

**BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES**

Application Number: 09/535,877
Filing Date: March 28, 2000
Appellant(s): BOYLE ET AL.

John M. Harrington (Reg. No. 25,592)
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed June 22, 2006 appealing from the Office action mailed December 1, 2005.

(1) Real Party In Interest

There real party in interest is Crossmar, Inc.

(2) Related Appeals and Interferences

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The statement of the status of claims contained in the brief is correct.

(4) Status of Amendments After Final

No amendment after final has been filed.

(5) Summary of Claimed Subject Matter

The summary of claimed subject matter contained in the brief is substantively correct.

However, the examiner wishes to point out that Appellant's statements in the first two paragraphs of section (5) mistakenly contain references to independent claim 37 when it is clear that Appellant is referring to claim 35.

(6) Grounds of Rejection to be Reviewed on Appeal

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct.

(7) Claims Appendix

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Evidence Relied Upon

6,247,000 B1	HAWKINS	6-2001
5,517,406	HARRIS	5-2006
5,689,579	JOSEPHSON	11-1997

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

1. Claims 1, 11-15, 17-20, 30-35, 42, 43, 50 & 51 U.S.C. 103(a) as being as being unpatentable over Hawkins et al. (US Patent 6,247,000 B1, hereafter Hawkins).

Re. Claims 1 & 35, Hawkins teaches or suggests a method and system means for reconciliation of fund manager and custodian account records (Definitions of Custodian - Col. 2, lines 52-56) - comprising:

- receiving a first account record by a database electronically from one of an internal portfolio tracking system of a fund manager and a custody network of a custodian and receiving a second account record by the database from the other of the internal portfolio tracking system of the fund manager and the custody network of the custodian (account record — Col. 9, lines 18-20, Col. 34, line 20; first and second database — Col. 3, lines 27-28);
- automatically comparing the account records by a computer application according to the predefined matching rules for at least one item of account data selected from a group of account data items consisting of account number, security identification units, unit cost, total cost, unit price, and total market value

Art Unit: 3692

to identify one of matched and unmatched first and second account records (Col. 3, lines 59-62; Col. 8, lines 17-19; Col. 16, lines 49-52); and

- if unmatched account records are identified in the comparison, generating a report of the comparison by the computer application identifying the unmatched account records accessible for display by the fund manager and the custodian, allowing a manual match of the unmatched account records on the database by either one of the fund manager and the custodian, and storing an historical record of the manual match by the computer application accessible by either one of the other of the fund manager and the custodian (Reports — Fig's 14, 16, 19; Col. 8, lines 37-39; Col. 20, lines 34-37).

Hawkins does not explicitly disclose allowing the fund manager and the custodian to predefine matching rules for the respective account records independently of one another. However, Hawkins discloses automatically matching financial transactions (Col. 1, II. 26-30), the matching of settlement instructions (Col. 1, II. 49-55); the interaction in financial transactions between fund managers and custodians (Col. 2, II. 48-56); a system which prevents custodians from making changes to the settlement of securities traded for an institutions' account (a fund is an institutional trader) (Col. 3, II. 27-31), the option for a user to view differences between the user's transaction request and another user's match confirmation (Col. 4, II. 1-7), and the use of matching rules (Col. 23, II. 4-30). It would have been obvious for an ordinary practitioner of the art at the time of applicant's invention based on the disclosures of Hawkins to include the step of allowing the fund manager and the custodian to predefine matching rules for the respective account records independently of one another in order to develop an efficient automated system for reconciling securities account records between a securities custodian and a fund manager (Hawkins, Col. 3, II. 53-56).

Re. Claim 11 & 42, Hawkins discloses a method and system automatically comparing the account records further comprises uploading the account records to a database (Col. 2, lines 30-37).

Re. Claim 12, Hawkins discloses a method wherein uploading the account records further comprises formatting the account records (Inherent).

Art Unit: 3692

Re. Claim 13, Hawkins discloses a method wherein uploading the account records further comprises parsing the account records (Inherent);

Re. Claim 14, Hawkins discloses a method of the method of claim 13, wherein uploading the account records further comprises validating the account records (Inherent).

Re. Claims 15 & 43, Hawkins discloses a method wherein uploading the account records further comprises uploading the account records according to a predefined schedule (Inherent).

Re. Claim 17, Hawkins discloses a method wherein predefining the matching rules further comprises predefining available match groups for a fund manager and a custodian (Col. 8, line 17-19).

Re. Claim 18, Hawkins discloses a method wherein predefining the matching rules further comprises predefining the matching rules for the account records for at least one of a position and a transaction (an inherent requirement of matching).

Re. Claim 19, Hawkins discloses a method wherein predefining the matching rules further comprises predefining substantially similar matching rules for the account records for the position and transaction (Inherent to matching).

Re. Claim 20, Hawkins discloses a method wherein predefining the matching rules further comprises predefining different matching rules for the account records for the position and transaction (Some data elements of account record data in a securities position is inherently different from account record data in a transactions record).

Re. Claims 30, Hawkins discloses a method wherein displaying the report further comprises displaying the unmatched first and second account records simultaneously for either one of the fund manager and the custodian on a consolidated screen (An inherent feature available in Windows technology).

Re. Claim 31, Hawkins discloses a method wherein displaying the report further comprises prompting either one of the fund manager and the custodian for entry of the manual match (Inherent to applicant's chosen computer technology).

Re. Claims 32 & 50, Hawkins discloses a method and system wherein allowing the manual match further comprises programming the identifying of a reason for the manual

Art Unit: 3692

match (Col. 34, lines 45-55). It is also obvious that records which do not satisfy automated matching criteria will need to be manually matched).

Re. Claim 33, Hawkins discloses a method wherein identifying the reason further comprises storing a record of the reason for the manual match (An inherent feature of computer systems, including the PC workstations and Windows operating systems chosen by applicant).

Re. Claims 34 & 51, Hawkins discloses a method and system means wherein storing the record further comprises allowing through preprogramming a retrieval of the record of the reason for the manual match (An inherent feature of computer systems, including the PC workstations and Windows operating systems chosen by applicant).

2. Claims 2-4, 8, 10, 26, 39, 41, 46 & 49 are rejected under 35 U.S. C. 103(a) as being unpatentable over Hawkins in view of Harris (US Patent 5,517,406).

Hawkins does not explicitly disclose:

- **Re. Claims 2**, a method wherein receiving the account records further comprises receiving the first and second account records for one of a position and a transaction.
- **Re. Claim 3**, a method wherein receiving the account records for the position further comprises receiving the first and second account records for one of a securities position and a cash position.
- **Re. Claim 4**, a method wherein receiving the account records for the transaction further comprises receiving the first and second account records for one of a securities transaction and cash transaction.
- **Re. Claims 8 & 39**, a method and system wherein receiving the account record electronically via the interface to the custody network of the custodian further comprises receiving the account record electronically via a proprietary financial network.
- **Re. Claims 10 & 41**, a method and system means wherein receiving the

account records by the database further comprises receiving the account records by a service bureau database.

- **Re. Claims 26**, a method wherein generating the report further comprises allowing at least one of the fund manager and the custodian to download the report in a file.
- **Re. Claims 46**, a method and system means wherein generating the report further comprises displaying the report for a user on a terminal.
- **Re. Claim 49**, a system wherein the computer application is further adapted for displaying the unmatched first and second account records simultaneously for the user on a consolidated display at the terminal.

However, Harris discloses:

- **Re. Claims 2**, a method wherein receiving the account records further comprises receiving the first and second account records for one of a position and a transaction (Title; Col. 2, line 45; Col. 3, lines 510).
- **Re. Claim 3**, a method wherein receiving the account records for the position further comprises receiving the first and second account records for one of a securities position and a cash position (Re. Securities: Col. 6, lines 5-8; Re. Cash: It is well known that Cash is a component of most investor accounts).
- **Re. Claim 4**, a method wherein receiving the account records for the transaction further comprises receiving the first and second account records for one of a securities transaction and cash transaction (Re. Securities Transactions: Col. 6, line 7; Col. 5, lines 46-52; Re. Cash: It is well known that Cash is a component of most investor accounts).
- **Re. Claims 8 & 39**, a method and system means wherein receiving the account record electronically via the interface to the custody network of the custodian further comprises receiving the account record electronically via a proprietary financial network (Col. 5 line 62 - Col. 6, line 16).
- **Re. Claims 10 & 41**, a method and system means wherein receiving the

account records by the database further comprises receiving the account records by a service bureau database (Hawkins, Col. 2, lines 30-37; Harris, Abstract).

- **Re. Claim 26**, a method wherein generating the report further comprises allowing a user to download the report in a file (Col. 14, lines 11-16).
- **Re. Claims 46**, a method and system means wherein generating the report further comprises displaying the report for a user on a terminal (Hawkins, Col. 8, lines 48-56).
- **Re. Claim 49**, a system wherein the computer application is further adapted for displaying the unmatched first and second account records simultaneously for the user on a consolidated display at the terminal (Inherent to applicant's chosen computer technology).

It would have been obvious for an ordinary practitioner of the art at the time of applicant's invention to combine the disclosures of Hawkins with those of Harris in order to develop an efficient automated system for reconciling account records in order to perform the required transactions in a timely, accurate and efficient manner and to correct inaccurate, incomplete or otherwise incompatible data and reject such transaction records for correction (Harris, Col. 2, ll. 34-39, 51-57).

3. Claims 21 and 23 are rejected under 35 U.S. C. 103(a) as being unpatentable over Hawkins as applied to claim 1 above, and further in view of Josephson (US Patent 5,689,579).

Hawkins does not explicitly disclose:

- **Re. Claim 21**, a method wherein predefining the matching rules further comprises predefining matching criteria in terms of a tolerance in at least one of percentage terms and nominal terms.
- **Re. Claim 23**, a method wherein predefining the matching rules further comprises predefining the matching rules in terms of levels of match success.

Art Unit: 3692

However, Josephson discloses:

- Re. **Claim 21**, a method wherein predefining the matching rules further comprises predefining matching criteria in terms of a tolerance in at least one of percentage terms and nominal terms (Abstract; Col. 4, lines 9 - 66);
- Re. **Claim 23**, a method wherein predefining the matching rules further comprises predefining the matching rules in terms of levels of match success (Col. 4, lines 45-50).

It would have been obvious for an ordinary practitioner of the art at the time of Applicant's invention to combine the disclosures of Hawkins with those of Josephson in order to develop an efficient automated system for reconciling account records in order to reduce the amount of labor intensive processes needed to perform reconciliation of electronically generated financial transactions (Josephson, Col. 3, ll. 45-49).

Response to Arguments

4. Applicant's arguments filed October 14, 2004 have been fully considered but they are not persuasive.

ARGUMENT A.:

Re. claims 1 & 35: The examiner has failed to establish a *prima facie* case of obviousness" (p. 6, l. 25).

a) "Alleging that it would be obvious to modify Hawkins' method and system for matching brokers' orders and confirmations, the Examiner cites as the sole advantage (underlining added) "in order to develop an efficient automated system". In view of this alleged advantage, the Examiner reasons that "it would have been obvious for an ordinary practitioner of the art...based on the disclosures of Hawkins to include the step of allowing the fund manager and the custodian to predefine matching rules for the respective account records independently of one another" (p. 9, ll. 18 - 24); AND, "... the Examiner's finding of a motivation to modify Hawkins rests on a generalized statement of an advantage without regard to the desirability or the feasibility of

Art Unit: 3692

modifying Hawkins." (p. 9, l. 27 – p. 10, l. 2).

RESPONSE: MPEP 2143.01, I. cites the following case law guidance for the examiner's identifying motivation for the ordinary practitioner to combine teachings from a plurality of references:

(1) "There are three possible sources for a motivation to combine references: the nature of the problem to be solved, the teachings of the prior art, and the knowledge of persons of ordinary skill in the art."

(2) "The reason or motivation to modify the reference may often suggest what the inventor has done, but for a different purpose or to solve a different problem. It is not necessary that the prior art suggest the combination to achieve the same advantage or result discovered by applicant (underlining added). In re Linter, 458 F.2d 1013, 173 USPQ 560 (CCPA 1972).

(3) 'Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either explicitly or implicitly in the references themselves or in the knowledge generally available to one of ordinary skill in the art. "The test for an implicit showing is what the combined teachings, knowledge of one of ordinary skill in the art, and the nature of the problem to be solved as a whole would have suggested to those of ordinary skill in the art (underlining added)." In re Kotzab, 217 F.3d 1365, 1370, 55 USPQ2d 1313, 1317 (Fed. Cir. 2000)'

(4) In this case, the examiner repeats above the rejection statement contained in the last Office Action the statement in the rejection of claims 1 and 35 as follows: "Hawkins discloses automatically matching financial transactions (Col. 1, ll. 26-30), the matching of settlement instructions (Col. 1, ll. 49-55); the interaction in financial transactions between fund managers and custodians (Col. 2, ll. 48-56); a system which prevents custodians from making changes to the settlement of securities traded for an institutions' account (a fund is an institutional trader) (Col. 3, ll. 27-31), the option for a user to view differences between the user's transaction request and another user's match confirmation (Col. 4, ll. 1-7), and the use of matching rules (Col. 23, ll. 4-30). It would have been obvious for an ordinary practitioner of the art at the time of applicant's

Art Unit: 3692

invention based on the disclosures of Hawkins to include the step of allowing the fund manager and the custodian to predefine matching rules for the respective account records independently of one another in order to develop an efficient automated system for reconciling securities account records between a securities custodian and a fund manager (Hawkins, Col. 3, ll. 53-56).” The examiner does not find this to be a rationale based on a “sole advantage”, but rather an obviousness to combine rationale which is follow the case law guidelines cited in the MPEP.

b) “the Examiner’s reasoning represents a case of impermissible hindsight reconstruction (p. 9, ll. 26-27).

RESPONSE:

Hawkins is a teaching in the closely analogous art of matching order routing of securities and other instrument types, and for matching other transactions on a post-execution basis (Abstract, ll. 3-5). Applicant’s invention “relates to automated reconciliation of investment manager and related custody accounts, and in particular to a system and method for centralized automated reconciliation of those accounts” (Specification, p. 1, ll. 10-12). The examiner has determined on the basis of the rationale given in the rejection that the selected portions of Hawkins’ teachings taught or suggested the claimed limitations of independent claims 1 and 35 to one of ordinary skill in the art at the time of Applicant’s invention. As courts have opined, “... it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. But so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant’s disclosure (underlining added), such a reconstruction is proper. See *In re McLaughlin*, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971).

c) “The Examiner’s assertion pertaining to the advantage of modifying Hawkins’ broker order and confirmation matching system to include comparing account records according to predefined matching rules which a fund manager and a custodian are allowed to

Art Unit: 3692

predefine independently of one another, as recited in claims 1 and 35, advanced by the Examiner for the purpose of showing motivation for the proposed modification, is set forth without any supporting citations to relevant portions of either Hawkins or any other authority." (p. 10, ll. 3-9).

RESPONSE:

The examiner has included the following six citations in support of the examiner's conclusion in the last Office Action and above in this Office Action that "It would have been obvious for an ordinary practitioner of the art at the time of applicant's invention based on the disclosures of Hawkins to include the step of allowing the fund manager and the custodian to predefine matching rules for the respective account records independently of one another in order to develop an efficient automated system for reconciling securities account records between a securities custodian and a fund manager (Hawkins, Col. 3, ll. 53-56)":

- Hawkins discloses automatically matching financial transactions (Col. 1, ll. 26-30), the matching of settlement instructions (Col. 1, ll. 49-55);
- the interaction in financial transactions between fund managers and custodians (Col. 2, ll. 48-56);
- a system which prevents custodians from making changes to the settlement of securities traded for an institutions' account (a fund is an institutional trader) (Col. 3, ll. 27-31),
- the option for a user to view differences between the user's transaction request and another user's match confirmation (Col. 4, ll. 1-7), and
- the use of matching rules (Col. 23, ll. 4-30).

Consequently, the examiner has given a multiplicity of reasons to support his conclusion of obviousness to an ordinary practitioner of the art at the time of Applicant's invention, had the practitioner had the Hawkins reference before him at that time.

d) "... the Examiner has not identified in the record any source of information—either from the references cited or otherwise—from which the Examiner bases his assertion of

advantage." (p. 10, ll. 13-16).

RESPONSE: MPEP 2145, III. presents the following guidelines for the examiner: "The test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference.... Rather, the test is what the combined teachings of those references would have suggested to those of ordinary skill in the art." *In re Keller*, 642 F.2d 413, 425, 208 USPQ 871, 881 (CCPA 1981). See also *In re Sneed*, 710 F.2d 1544, 1550, 218 USPQ 385, 389 (Fed. Cir. 1983) ("[I]t is not necessary that the inventions of the references be physically combinable to render obvious the invention under review."); and *In re Nievelt*, 482 F.2d 965, 179 USPQ 224, 226 (CCPA 1973) ("Combining the teachings of references does not involve an ability to combine their specific structures."). In this case, the examiner has used his judgment of what one of ordinary skill in the art would have seen as obvious had he had the Hawkins teaching before him at the time of Applicant's invention. The burden of proof is on Applicant to prove otherwise.

e) "the modification of Hawkins proposed by the Examiner would render the Hawkins method and system for matching broker's orders and confirmations unsatisfactory for its intended purpose." (p. 10, ll. 17 - 19).

"It is readily apparent that the Examiner's proposed modification of Hawkins to allow the originating and executing brokers to predefine the matching rules independently of one another, as recited in claims 1 and 35, would render Hawkins' broker order and confirmation matching system completely inoperable for its intended purpose." (p. 11, ll. 10-14).

RESPONSE: MPEP 2145, III contains the following court guideline for combining references: "The test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference.... Rather, the test is what the combined teachings of those references would have suggested to those of ordinary skill in the art." *In re Keller*, 642 F.2d 413, 425, 208 USPQ 871, 881 (CCPA 1981). See also *In re Sneed*, 710 F.2d 1544, 1550, 218 USPQ 385, 389 (Fed. Cir. 1983) ("[I]t is not necessary that the inventions of the references be

physically combinable to render obvious the invention under review."); and *In re Nievelt*, 482 F.2d 965, 179 USPQ 224, 226 (CCPA 1973) ("Combining the teachings of references does not involve an ability to combine their specific structures.").

Consequently, obviousness combination by an ordinary practitioner is not about literally force fitting a complex invention with modifications which a practitioner sees as necessary for adapting that teaching to the solution of a different problem. Rather it is about taking the teaching elements from the prior art which solve his problem and adapting them to form another invention which he sees as obvious from the prior art. In this case, the examiner has determined that the ordinary practitioner of the art would have seen it as obvious to combine the select features of Hawkins noted in the above rejection of claims 1 and 35 with his own ordinary knowledge of the art, motivated as discussed above, to produce Applicant's invention of a method and system means for reconciliation of fund manager and custodian account records at the time of Applicant's invention. The ordinary practitioner would have readily seen in Hawkins' teaching from the specific teachings cited above how to modify the Hawkins' teaching of securities account records in a brokerage environment to the securities account record reconciliation of fund manager and custodian accounts because the basic task is the same, the reconciling of two sets of securities account records.

CONCLUSION:

1) MPEP 2142, ESTABLISHING A *PRIMA FACIE* CASE OF OBVIOUSNESS:

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).

Art Unit: 3692

The initial burden is on the examiner to provide some suggestion of the desirability of doing what the inventor has done. "To support the conclusion that the claimed invention is directed to obvious subject matter, either the references must expressly or impliedly suggest the claimed invention or the examiner must present a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references." *Ex parte Clapp*, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985).

2) *Prima facie* case of obviousness: On the basis of Applicants arguments supporting the general argument that the examiner has not established a proper *prima facie* case of obviousness in the rejections of independent claims 1 and 35, and the responses above, the examiner concludes that the *prima facie* case of obviousness in the rejections of independent claims 1 and 35 has been properly established.

3) BURDEN SHIFTS TO APPLICANT: "[T]he PTO can require an applicant to prove that the prior art products do not necessarily or inherently possess the characteristics of his [or her] claimed product. Whether the rejection is based on inherency' under 35 U.S.C. 102, on *prima facie* obviousness' under 35 U.S.C. 103, jointly or alternatively, the burden of proof is the same...[footnote omitted]." The burden of proof is similar to that required with respect to product-by-process claims. *In re Fitzgerald*, 619 F.2d 67, 70, 205 USPQ 594, 596 (CCPA 1980) (quoting *In re Best*, 562 F.2d 1252, 1255, 195 USPQ 430, 433-34 (CCPA 1977))." (MPEP § 2112.01).

ARGUMENT B:

Neither Harris nor Josephson cure the deficiencies of Hawkins regarding the obviousness rejections of independent claims 1 and 35. (p. 11, l. 23 – p. 13, l. 2).

RESPONSE: Claims 1 and 35 have not been rejected on the basis of obviousness combination of Harris and/or Josephson with Hawkins (as stated *supra*, and in prior Office Actions).

(10) Additional Response to Argument

a) The examiner wishes to point out that Appellant's arguments in this Appeal Brief are a repetition of the arguments presented by Appellant during the course of prosecution and fully responded to in the record by the examiner. A few of the prior arguments have been omitted. The above section (10), Grounds of Rejection, contains an exact copy of the final Office Action, which contains a detailed response to each argument presented in Appellant's communication to the last non-final rejection.

b) Appellant's Appeal Brief fails to acknowledge the examiner's responses and fails to present substantive proof or sufficient rationale required by the MPEP and the case law which place the burden of proof on Appellant once the examiner has met his burden in the making of a obviousness under 35 USC 103 (a).

c) Appellant's Admitted Prior Art: Appellant admits that banks are the fund managers, custodians, custodial banks and stock brokers engage in inter related operations. This therefore places them together in analogous art. The Specification states: "In today's investment environment, investment managers or fund managers who represent, for example, institutional investors have to demonstrate to those institutional investors that their records agree with the records maintained by the custodians of the institutions' investment assets, such as the institutional investors' banks. For example, a fund manager acting on behalf of an investor or client buy and sells securities, and those same securities are safe-kept with custodians, such as banks (underlining added). The fund manager and the custodian each maintains its own books

and records, and the securities and cash balances and transactions among those different books and records must be regularly and periodically reconciled"

(Specification, page 1, lines 15-23, Background of the Invention). The buying and selling services of these securities is provided by the securities brokerage firms and their individual brokers. Since today's brokerage firms are large, processing large volumes of trade transactions, they have essentially the same matching needs in their process as their customers who represent the bulk of today's securities trading volume, the fund managers and their service providers, the custodial banking institutions.

(d) The examiner wishes to point out that Appellant's emphasis in traversing the rejections of independent claims 1 and 35 is on the steps taken by a fund manager and a custodian, and the claimed limitation of "predefining matching rules which a fund manager and a custodian are allowed to predefine independently of one another" (page 6, lines 15-16). Neither a fund manager nor a custodian have weight in Appellant's claims because no fund management or custodial steps are involved in the independent claims, nor in any of the dependent claims. The claimed invention is limited to the matching of (parallel) account records by two parties involved in related transaction steps. As such, according to the court opinions cited above, any matching method steps in the prior art which solve the problem which Appellant's invention attempts to solve are legitimate solutions for the ordinary practitioner of the art to make use of as useful teachings or suggestions to solve his problem. The prior art does not have to include fund managers and/or custodians. Further, as stated in (c) immediately above, the teachings and suggestions in Hawkins, the only reference used to reject the

independent claims 1 and 35, are from the analogous art practiced in the financial securities industry, namely stock brokerage transactions and the matching steps practiced in that segment of the financial securities industry. Appellant's invention also seeks to provide a matching method for financial securities transactions in a directly related segment of the industry, namely fund managers (e.g. mutual funds or retirement funds) and the custodial institutions which administer the holding and storage of those securities (primarily banks such as State Street Bank). However, as seen in the above Response to Arguments contained in the final rejection mailed out on December 1, 2005, the Hawkins disclosure even contains references to fund managers and custodians (see Response to Argument A (4) above from the final rejection).

(11) Related Proceeding(s) Appendix

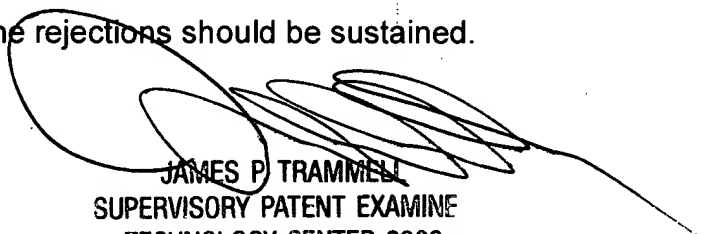
No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

Siegfried E. Chencinski

Patent Examiner


JAMES P. TRAMMELL
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600

Conferees:

James P. Trammell, SPE 

Tan D. Nguyen, Primary Examiner 

Siegfried E. Chencinski 